

March 29, 2001

DWD Issuance 09-00

Subject: Activities Requiring the Use of Individual Training Accounts

1. Purpose: To outline the Division of Workforce Development's position on the use of Individual Training Accounts to pay for training services for adults and dislocated workers under the Workforce Investment Act.
2. Substance: § 663.430 of the Federal Regulations requires that Individual Training Accounts (ITAs) be used to pay the costs of training activities except for on-the-job training, customized training, or when the Local Board determines that there are an insufficient number of eligible providers in the local area to accomplish the purpose of a system of ITAs.

As no local plan indicated that there were an insufficient number of eligible training providers in the local areas, all local areas must utilize ITAs to pay the costs of WIA funded occupational skills training; programs that combine workplace training with related instruction, which may include cooperative education programs; training programs operated by the private sector; skills upgrading and retraining; entrepreneurial training; job readiness training; and, adult education and literacy activities **when** provided in combination with other training services.

If a participant is enrolled in a training activity that is not funded through WIA but is funded through a program of a one-stop partner an ITA is not required.

During 1999, a team was formed to develop procedures regarding eligible training providers and individual training accounts as required under Section 122 of the Workforce Investment Act. This team was comprised of many key workforce partners such as staff from DWD, DESE, DHE, DFS, and local area staff. As a result of the procedures developed by this team and, after consulting with USDOL, it has been determined that workshops, job clubs, pre-vocational services, or any activity that is centered wholly or in part in a classroom setting and exceeds 40 clock hours shall be considered a Training Service, and the use of an ITA is required, unless the Local Area has a longer term, one-stop career center based, activity described in their approved 5 year plan. Any such activity

must meet the requirements of Section 122, as well as the Department of Elementary and Secondary Education's Certification Requirements for Eligible Training Providers.

Workshops, job clubs, pre-vocational Services, or any activity that is centered wholly or in part in a classroom setting and is less than 40 clock hours may be classified as Staff Assisted Core Services, Intensive Services or Training (as appropriate) at the discretion of the local board. If, however, the activity is to be considered as "training", it must also meet the requirements of Section 122, as above.

3. Action Beginning immediately all training activities paid for with WIA funds shall be conducted in accordance with the instructions contained herein. All "partner funded" training should be tracked in Toolbox as "training" (i.e. with appropriate 300 level activity code), with "funding bucket" selected for the appropriate partner.
4. Contact: If you have any questions regarding this policy, please contact Tom Reed (573) 526-8240 or Lindell Thurman, Manager, Field Services, (573) 751-7895. To obtain the Certification Requirements for Eligible Training Providers, please contact Elaine Bryan, Department of Elementary and Secondary Education at (573) 751-7563.
5. Cross/
Historical § 134 (d)(4) of the Workforce Investment Act and 20 CFR 663.430. § 122 of the Workforce Investment Act and 20 CFR 663.300 – 663.640. See also: December 21, 2000 Memorandum from Tom Jones; "Managing WIA Exits".

Tom Jones, Director

TJ/LT/TR/jw

cc: John Cope
 DWD Assistant Directors
 DWD Managers
 Regional Coordinators